

# LOXISTICA INTEGRAL DO PALET S.L

CONTRACT SELLER TRANSACTION CODE NUMBER 04/03/08 150.000 MT BUYER TRANSACTION CODE NUMBER UR 150000APAVM14MAR2008

## SALES AND PURCHASE AGREEMENT UREA 46%

**DATE ISSUE: 11/APRIL/2008**

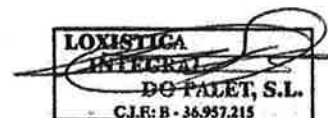
NOTE: THIS CONTRACT IS ONLY TO BE CIRCULATED BETWEEN THE AFORESAID BUYER AND SELLER. WE HEREBY AGREE THAT ANY INFORMATION CONTAINED HEREIN IS NOT PERMITTED TO BE DISCLOSED OR RELEASED TO ANY OTHER SUPPLIER, BUYER, OR ANY OTHER COMPANY OR ENTITY, EXCEPT AS PROVIDED IN THIS CONTRACT. IF SUCH INFORMATION IS RELEASED, THEN SELLER WILL TAKE THE LEGAL COURT ACTION AGAINST THE CONCERNED PERSON OR COMPANY

***Buyer's Contract -At no time will a seller use a buyer's contract....it just isn't done. The seller contract is approved and ready to "go". The seller's all have their own approved contracts and that is what must be used. The owner of the product is the Seller so therefore it is the Seller who determines the Terms and Conditions under which he sells his product...that does not mean that some minor negotiations and amendments can't be made when the draft contract is sent to the buyer.....***

THIS AGREEMENT MADE AND ENTERED INTO ON, April 03, 2008 BY LOXISTICA INTEGRAL DO PALET S.L. AND BETWEEN CONTINENTAL PETROLEUM CORPORATION SOCIEDAD ANONIMA CERRADA.



OUR GROUP RESERVES THE RIGHT TO USE ALTERNATIVE BANKS WHEN AND IF NECESSARY BY DETERMINATION OF THE BOARD



**LOXISTICA INTEGRAL DO PALET S.L**

<b>COMPANY</b>	LOXISTICA INTEGRAL DO PALET S.L.
<b>ADDRESS</b>	PI y MARGAL , 96 BAJO
<b>CITY</b>	VIGO - PONTEVEDRA
<b>COUNTRY</b>	SPAIN
<b>TELEPHONE</b>	0034 986 247 602
<b>E.MAIL</b>	<a href="mailto:granaimport@yahoo.es">granaimport@yahoo.es</a> / <a href="mailto:galipack@telefonica.es">galipack@telefonica.es</a>

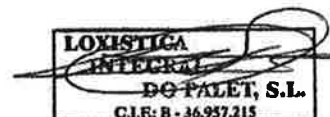
**BANKING SELLERS COORDINATES**

<b>ACCOUNT NAME</b>	LOXISTICA INTEGRAL DO PALET S.L
<b>BANK NAME</b>	BANCO PASTOR
<b>ADDRESS BANK</b>	SUC. 0422
<b>CITY</b>	VIGO - PONTEVEDRA
<b>COUNTRY</b>	SPAIN
<b>SWIFT</b>	PSTRESMM
<b>ACCOUNT NUMBER</b>	ES81 0072 0422 9800 0010 3027
<b>TELEPHONE</b>	0034 986 21 31 97
<b>FAX</b>	0034 986 21 46 53
<b>BANK OFFICER</b>	CASIMIRO CONLES
<b>E.MAIL</b>	<a href="mailto:oficina0422@bancopastor.es">oficina0422@bancopastor.es</a>

**BUYER**

<b>COMPANY</b>	CONTINENTAL PETROLEUM CORPORATION SOCIEDAD ANONIMA CERRADA
<b>ADDRESS</b>	AVDA. FRAY ANGELCO Nº 520
<b>CITY</b>	LIMA
<b>COUNTRY</b>	PERU
<b>REPRESENTED BY</b>	FREDDY PERCY GAMBIRAZIO ARIAS
<b>TELEPHONE</b>	511 – 593 5095
<b>FAX</b>	
<b>E.MAIL</b>	<a href="mailto:fgambirazio@continentalpetroleumcorp.com">fgambirazio@continentalpetroleumcorp.com</a>

WARRANTS THAT EACH CAN FULFILL THE REQUIREMENTS OF THIS AGREEMENT AND RESPECTIVELY PROVIDE THE PRODUCTS AND THE FUNDS REFERED TO HEREIN, IN TIME AND UNDER THE TERMS AGREED TO HEREAFTER; AND



# LOXISTICA INTEGRAL DO PALET S.L

**WHEREAS:** THE BUYER HEREBY AGREES AND MAKES AN IRREVOCABLE FIRM CONTRACT TO PURCHASE 150.000 MT. (ONE HUNDRED AND FIFTY THOUSAND METRIC TONNES OF UREA 46 % GRANULAR COST, FREIGHT AND INSURANCE (CIF) INCOTERMS 2000, AND

**WHEREAS:** THE SELLER AND THE BUYER BOTH AGREE TO FINALIZE THIS CONTRACT UNDER THE TERMS AND CONDITIONS; AND THE PRODUCT OFFERED FOR SALE IS SUBJECT ONLY TO THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT AND STRICTLY CONFIDENTIAL BETWEEN THE BUYER AND THE SELLER AND IT IS THEREFORE AGREED AS FOLLOWS:

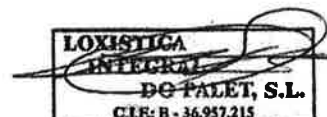
## 1. PRODUCT:

**UREA 46% SHALL CONFORM TO THE FOLLOWING SPECIFICATIONS AND/OR INTERNATIONAL SPECIFICATIONS**

### SPECIFICATIONS

<b>PRODUCT USE</b>	FERTILIZER
<b>NITROGEN</b>	46%
<b>BURET</b>	1,0 MAX.
<b>EMPIRICAL FORMULA</b>	H <sub>2</sub> N – CO – NH <sub>2</sub>
<b>BUNTER</b>	1% MAX.WEIHGT.
<b>MOISTURE</b>	1% MAX.WEIHGT.
<b>ANTI -CAKING</b>	TREATED PROPERLY AGAINST CAKING
<b>FREE ARMONIA</b>	A60 PXT PPM MAX
<b>GRANULATION</b>	2 – 4 MM 90% LESSER THAN 3 MM 4% GREATER THAN 3 MM 4%
<b>COLOR</b>	STANDARD WHITE OR PURE WHITE
<b>FREE FLOWING</b>	100% ANTI CAKING TREATED.
<b>MELTING POINT</b>	132 DEGREES CELSIUS.
<b>PH VALUE</b>	8,0 – 8,5
<b>RADIATION</b>	CERTIFICATE FULL NON RADIOACTIVE 100%
<b>PHYSICAL</b>	FREE FROM HARMFUL SUBSTANCE, IMPURITIES DUST.
<b>CROPS</b>	2006/2007 THE LASTED CROP.
<b>MONTHLY SHIPMENTS</b>	ONE MONTH IN SHIPMENTS OF 12.500 TM.
<b>PACKING</b>	50 KG DOUBLE BAGS APPROVED BY SGS FOR OCEAN TRANSPORT BY SHIP

**PHYSICAL ESPECIFICATION – INTERNATIONALLY ACCEPTED STANDARD FOR UREA PRILLED 46%, FREE FROM IMPURITIES, SAND, DUST AND RADIOACTIVITY**



# LOXISTICA INTEGRAL DO PALET S.L

**2. ORIGIN:**

UKRANIA

**3. DESTINATION / PRODUCT DISCHARGE:**

**PORT OF DESTINATION** – TO BE GIVEN IN WRITING 20 DAYS PRIOR TO DATE OF SHIPMENT, GOODS CAN BE SHIPPED TO NON USA SANCIONED PORTS ONLY ON **CIF ASWP BASIS** (COST+INSURANCE+FREIGHT) – AND INCOTERMS 2000 WILL BE APPLIED. THE DATE OF THE BILL OF LANDING SHALL BE CONSIDERED THE DATE OF LIFTING AND DELIVERY, BUYER AGREES TO PROVIDE SELLER WITH PORT (S) OF DESTINATION AND QUANTITIES FOR ALL SHIPMENTS.

**4. PRODUCT DELIVERY:**

THE DATE (S) OF BILL OF LADING SHALL BE CONSIDERED THE DATE (S) OF DELIVERY. THE FIRST DELIVERY SHALL BEGIN THIRTY TO FORTY FIVE (30 -45) DAYS AFTER RECEIPT AND CONFIRMATION OF AN OPERATIONAL FINANCIAL INSTRUMENT ACCEPTABLE TO THE SELLER. EACH FOLLOWING SHIPMENT SHALL BE WITHIN SEVEN TO TEN (7 TO 10) DAYS OF THE PREVIOUS SHIPMENT. THE SELLER SHALL HAVE THE RIGHT TO DELIVER EARLIER THAN AGREED IN THIS CONTRACT GIVING NOTICE TO ALL DESIGNATED PARTIES AS REQUIRED HEREIN, WITH THE APPROVAL OF THE BUYER. THE PRODUCT SHALL BE SHIPPED TO THE RELEVANT PROVISIONS OF THIS CONTRACT WITH THE SHIPMENT TO BE FORWARDED TO DESTINATION PORT/S IN MINIMUM SHIPMENTS OF TWELVE THOUSAND AND FIVE HUNDRED (12.500) METRIC TONS PER LIFT (+/-5%) TOTAL SHIPMENTS SHALL BE ACCORDING TO SHIPPING SCHEDULE. (SEE "ADDENDUM A") MINIMUM IS SUBJECT TO SLIGHT AND REASONABLE VARIATIONS IN SCHEDULES DUE TO THE CUSTOMARY AND USUAL EXIGENCIES. CONSECUTIVE SHIPMENTS SHALL BE SHIPPED BY DELIVERING AND RECEIVING SCHEDULE OF BUYER, SENT TO THE SELLER AFTER THE FIRST SHIPMENT HAS LEFT THE PORT AS INDICATED BY THE SGS CERTIFICATE. INCOTERMS 2000 / CIF (SEE ARTICLE 26 TERMS AND DEFINITIONS) THE BUYER AND THE SELLER AGREE THAT PARTIAL SHIPMENTS ARE ALLOWED AND TRANSHIPMENT NOT ALLOWED.

**5. CONTRACTED QUANTITY:**

THE TOTAL QUANTITY OF THE CONTRACT SHALL BE DETERMINED BY THE CERTIFICATIONS OF WEIGHT ISSUED BY THE INSPECTION AUTHORITY AND BY THE BILL OF LADING OF THE SHIPMENT THAT WAS IN EFFECT DELIVERED TO THE BUYER.



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## **6. PRODUCT WEIGHT AND QUALITY:**

THE SELLER GUARANTEES THAT EACH SHIPMENT OF UREA 46% SHALL BE PROVIDED WITH AN INSPECTION CERTIFICATE OF WEIGHT AND QUALITY AT TIME OF LOADING AND SUCH CERTIFICATE SHALL BE PROVIDED BY SOCIÉTÉ GÉNÉRALE DE SURVEILLANCE (SGS) OR SIMILAR RECOGNIZED AUTHORITY AT SELLER'S EXPENSE, AND SHALL BE DEEMED TO BE FINAL. THE SELLER SHALL INSTRUCT SAID AUTHORITY TO CARRY OUT THE INSPECTION IN STRICT ACCORDANCE WITH THE INTERNATIONAL CHAMBER OF COMMERCE (I.C.C.) RULES. THE BUYER SHALL, IF DESIRED, AND AT HIS OWN EXPENSE PROVIDE ADDITIONAL INSPECTION AT PORT OF LOADING TO CONFIRM LOADING. IF DISCREPANCIES SHOULD AT ANY TIME AND IN PARTICULAR CASE RESULT IN RELATION TO THE INSPECTION CERTIFICATE (S) ISSUED AT THE PORT OF LOADING AND DESTINATION, IT IS HEREBY AGREED THAT ARBITRATION SHALL BE EMPLOYED TO DETERMINE THE APPROPRIATE JUDGMENT. BOTH PARTIES AGREE TO BE BOUND BY THE ARBITRATOR'S DECISION FOR OR AGAINST EITHER BUYER OR SELLER.

## **7. QUANTITY:**

**150.000 METRIC TONNES (+/-5%) ONE HUNDRED FIFTY THOUSAND METRIC TONNES (+/-5%)**

## **8. PACKING:**

THE PACKED IN NEW POLYPROPYLENE BAGS OUTER AND WITH POLYETHYLENE INNER BAGS OF 50 KG. NET, WITH 2% BAGS PROVIDED FREE OF CHARGE. EACH BAG SHALL BE SECURED BY TAPE TO ENSURE THE SAFETY OF THE COMMODITY DURING OCEAN TRANSPORT. BAGS SHALL BE MARKED WITH **BLACK** CHARACTERS.

**UREA – PRILLED 46%**

**50 KGS NET.**

**USE NO HOOKS**

**MADE IN UKRANIA**

## **9. PRICE PER METRIC TON:**

**USD 203 US DOLLARS (TWO HUNDRED AND THREE) UNITED STATES DOLLARS PER METRIC TON CIF ASWP (NON USA SANCTIONED PORT)**





# LOGISTICA INTEGRAL DO PALET S.L

**10. CONTRACT AMOUNT:**

**USD 30.450.000.-** (THIRTY MILLION FOUR HUNDRED FIFTY THOUSAND AMERICAN DOLLARS (+/- 5%).

**11. PAYMENT TERMS:**

DOCUMENTARY, IRREVOCABLE, CONFIRMED, TRANSFERABLE, DIVISIBLE, SHIPMENTS FOR SHIPMENTS LETTER OF CREDIT, PAYABLE AT SIGHT 100% AT SIGHT AGAINST THE PRESENTATION OF CLEAN SHIPPING DOCUMENTS AS PER CONTRACT TO BUYER BANK NON PARTIAL PAYMENT, NON PARTIAL SHIPMENT.

ASSURED FOR VESSEL SHIPMENT BY SHIPMENT VALUE (\$ 2.537.500) TWO MILLION FIVE HUNDRED THIRTY SEVEN THOUSAND AND FIVE HUNDRED USD, TO COMPLETE TOTAL QUANTITY. FULL BANK RESPONSIBILITY. THE LETTER DOCUMENT SHALL BE NEGOTIABLE AND PAYABLE AT THE BUYER'S BANK BASED IN THE ATTACHED WORDING OF THE LC AS ADDENDUM C. ALL BANK COSTS FROM BUYERS BANK TO SELLERS BANK ARE FOR THE BUYERS ACCOUNT

**THE TOTAL AMOUNT OF THE FINANCIAL DOCUMENTS WILL COVER THE QUANTITY COMMISSIONED IN THE CONTRACT.**

**12. PERFORMANCE BOND:**

**TWO (2%) P.B.**

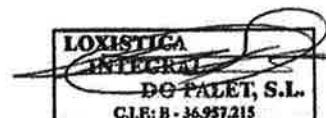
**13. PROOF OF PRODUCT:**

**SHALL BE PROVIDED BY SELLER AFTER RECEIPT OF OPERATIVE LETTER OF CREDIT ACCEPTABLE TO SELLER AND THE SELLERS BANK**

**14. PRODUCT DOCUMENTATION PER LIFT:**

**A FULL SET OF THE FOLLOWING DOCUMENTS WILL BE PRESENTED TO THE:**

- A. THREE (3) ORIGINAL AND THREE (3) COPIES OF SIGNED COMMERCIAL INVOICES;**
- B. TWO (2) ORIGINAL AND FOUR (4) COPIES OF CERTIFICATE THREE (3) ORIGINAL AND THREE (3) COPIES OF FULL SET OF CLEAN ON BOARD OCEAN BILL OF LADING (B/L) MARKED "FRIHT PRE-PAID" ISSUED TO THE ORDER OF BUYER;**
- C. OF QUALITY QUANTITY AND WEIGHT INSPECTION ISSUED BY SGS ONLY;**
- D. ONE (1) ORIGINAL AND FOUR (4) COPIES OF CERTIFICATE OF ORIGIN, ISSUED BY THE CHAMBER OF COMMERCE AND INDUSTRY OF THE COUNTRY OF ORIGIN;**
- E. ONE (1) ORIGINAL AND TWO (2) COPIES OF SHIPPING COMPANY STATEMENT CONFIRMING THAT THE AGE OF THE VESSEL DOES NOT EXCEED TWENTY (20) YEARS AND THE VESSEL IS REGISTERED UNDER LLOYDS REGISTRY;**
- ONE (1) ORIGINAL AND TWO (2) COPIES OF NONRADIOACTIVITY CERTIFICATE;**



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PRESHIPMENT CONDITION SURVEY OF CARGO, INSPECTION CERTIFICATE FOR THE VESSEL (CARGO HOLD CLEANLINESS/SUITABILITY TO LOAD)

ONE (1) ORIGINAL AND TWO (2) COPIES OF PACKING LIST SHOWING: I) GROSS / NET WEIGHT; II) THE NUMBER OF OCEAN BILL OF LADING.

INTERNATIONAL MARITIME BUREAU CERTIFICATE;

COPY OF CHARTER PARTY AGREEMENT;

THE INSURANCE CERTIFICATE IN THE BUYER NAME COVERING 110 % OF THE CARGO

## **15. PRODUCT INSURANCE:**

INSURANCE IS FOR THE SELLERS ACCOUNT AND HIS SOLE RESPONSIBILITY. THE SELLER SHALL SUPPLY AN INSURANCE OF ALL-RISKS & WAR RISK (INSTITUTE CARGO CLAUSES (A) -ICC 1-1-1982) MARINE POLICY (INCLUDING SHORTAGE OF GOODS CASE) FOR 110% VALUE CONTRACT WHICH IS ISSUED BY THE WELLKNOWN INSURANCE COMPANY TO THE NAME OF THE BUYER.

## **16. DEMURRAGE AND DISPATCH:**

AT THE LOADING PORT IT IS ON SELLER'S ACCOUNT. AT THE DISCHARGING PORT IT IS ON BUYER'S ACCOUNT.

16.1 DEMURRAGE AND DISPATCH AT DESTINATION PORT SHALL BE AS PER THE CARTER PARTY. THE DEMURRAGE AND DISPATCH MONEY WILL BE PAID WITHIN 30 DAYS AFTER RECEIPT OF A SIGNED COPY STATEMENT OF FACT AND A COPY OF CALCULATED TIME SHEET.

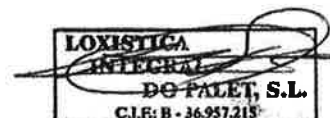
16.2 THE VESSEL'S COMMODITY DISCHARGE SHALL BE THE SOLE RESPONSIBILITY OF BUYER.

16.3 OPENING AND CLOSING OF VESSEL'S HATCHES SHALL BE PERFORMED BY THE SHIP'S CREW AT THE SELLER'S/ SHIPOWNER'S EXPENSES.

16.4 SHALL THE VESSEL BE REQUIRED TO BE SHIFTED FROM ONE BERTH TO ANOTHER AT THE DISCHARGING PORT; TIME USED IN SHIFTING SHALL NOT BE COUNTED AS LAY-TIME AND AS TIME OF DEMURRAGE, IF THE VESSEL IS ON DEMURRAGE. COST OF SHIFTING IS OF THE BUYER, IF THE SHIFTING IS REQUESTED BY THE BUYER.

## **17. IMPORT FACILITIES, DOCUMENTS, TAXES AND FEES:**

ALL TAXES OR LEVIES IMPOSED BY THE COUNTRY OF DESTINATION HAVING ANY EFFECT ON THIS CONTRACT, DUE TO THE CARGO ARE ON THE BUYER'S ACCOUNT AND HIS SOLE RESPONSIBILITY. ALL TAXES OR LEVIES IMPOSED BY THE COUNTRY OF DESTINATION HAVING ANY EFFECT ON THIS CONTRACT, DUE TO THE VESSEL ARE ON THE SELLER'S ACCOUNT AND HIS SOLE RESPONSIBILITY. BUYER MUST HAVE ALL IMPORT PERMISSIONS AND PERMITS IN WRITING, AND COPY SENT TO SELLER. BUYER BEARS THE SOLE RESPONSIBILITY OF SECURING ALL PERMITS, LICENSES OR ANY OTHER DOCUMENTS REQUIRED BY THE GOVERNMENT OF THE IMPORTING NATION. SELLER WILL BEAR NO RESPONSIBILITY TO PROVIDE SUCH DOCUMENTATION. BUYER WILL BEAR ALL COSTS ASSOCIATED WITH SECURING SUCH DOCUMENTS AND WILL ALSO BEAR ALL COSTS AND PENALTIES IF SUCH DOCUMENTS ARE NOT SECURED.



# LOXISTICA INTEGRAL DO PALET S.L

IN NO CASE SHALL THE SELLER BE HELD LIABLE FOR MISSING OR IMPROPER DOCUMENTATION THE BUYER IS REQUIRED TO PROVIDE. SHIPPING BASED ON INCOTERMS 2000.

## **18. FORCE MAJEURE:**

NEITHER PARTY TO THIS CONTRACT SHALL BE HELD RESPONSIBLE FOR BREACH OF CONTRACT CAUSED BY AN ACT OF GOD, INSURRECTION, CIVIL WAR, WAR, MILITARY OPERATION OR LOCAL EMERGENCY. THE PARTIES DO HEREBY ACCEPT THE

INTERNATIONAL PROVISION OF "FORCE MAJEURE" AS PUBLISHED BY THE INTERNATIONAL CHAMBER OF COMMERCE, GENEVA, SWITZERLAND, AND AS DEFINED BY I.C.C. RULES UNIFORM CUSTOMS AND PRACTICE.

## **19. DISPUTES AND ARBITRATION:**

THE PARTIES HEREBY AGREE TO SETTLE ALL DISPUTES AMICABLY. IF SETTLEMENT IS NOT REACHED, THE DISPUTE IN QUESTION SHALL BE SUBMITTED AND SETTLED BY ARBITRATION AT THE INTERNATIONAL ARBITRATION ASSOCIATION CHAMBERS, NEW YORK, USA BY ONE OR MORE ARBITRATORS APPOINTED IN ACCORDANCE WITH SAID RULES.

## **20. AUTHORITY TO EXECUTE THIS CONTRACT:**

THE PARTIES TO THIS CONTRACT DECLARE THAT THEY HAVE FULL AUTHORITY TO EXECUTE THIS DOCUMENT AND ACCORDINGLY TO BE FULLY BOUND BY THE TERMS AND CONDITIONS.

## **21. EXECUTION OF THIS CONTRACT:**

THIS CONTRACT MAY BE EXECUTED SIMULTANEOUSLY IN TWO OR MORE COUNTERPARTS VIA TELEX OR FACSIMILE TRANSMISSION, EACH OF WHICH SHALL BE DEEMED AS ORIGINALS AND LEGALLY BINDING.

## **22. GOVERNING LAW:**

THIS CONTRACT SHALL BE GOVERNED, AND INTERPRETED IN ACCORDANCE WITH THE UNITED NATION CONVENTION FOR THE SALE OF GOODS (U.N. CONVENTION). IN EVENT OF INCONSISTENCY BETWEEN THIS CONTRACT AND THE PROVISIONS OF THE U.N. CONVENTION, THIS CONTRACT SHALL HAVE PRIORITY FOR THE PURPOSE OF ARTICLE 39 OF THE U.N. CONVENTION A REASONABLE PERIOD OF TIME SHALL BE DEEMED TO BE FIVE (5) DAYS. THIS CONTRACT SHALL FURTHER BE CONSTRUED IN ACCORDANCE WITH THE COURTS OF THE EUROPEAN UNION, WHICH SHALL APPLY TO ICC RULES AND REGULATIONS.





# LOXISTICA INTEGRAL DO PALET S.L

## **23. LANGUAGE USED:**

THE ENGLISH LANGUAGE SHALL BE USED.

## **24. ASSIGNMENT:**

THE PARTIES ACCEPT AND AGREE TO THE PROVISIONS OF THE INTERNATIONAL CHAMBER OF COMMERCE, GENEVA, SWITZERLAND FOR NON-CIRCUMVENTION AND NONDISCLOSURE WITH REGARDS TO ALL AND EVERYONE OF THE PARTIES INVOLVED IN THIS TRANSACTION AND CONTRACT, ADDITIONS, RENEWALS, AND THIRD PARTY ASSIGNMENTS, WITH FULL RECIPROCATION FOR A PERIOD OF (3) THREE YEARS FROM THE DATE OF EXECUTION OF THIS CONTRACT.

## **26. PROCEDURES:**

THE BUYER ISSUES SELLER THEIR LOI AND SOFT PROBE.

1 .THE SELLER REVIEWS THE LOI AND UPON ACCEPTANCE ISSUES DRAFT CONTRACT TO BUYER FOR COMMENTS AND ACCEPTANCE, THE BUYER SIGNS AND RETURNS THE DRAFT CONTRACT SHOWING ALL AMENDMENTS REQUIRED INITIALED AND ADDS THEIR FULL BANKING COORDINATES, CONFIRMING BANKING INFORMATION AND CONTACT INFORMATION

2. THE SELLER, AFTER DISCUSSING AND FINALIZING ALL AMENDMENT WITH THE BUYER ON PHONE OR VIA FAX OR EMAIL, AMENDS WHERE NECESSARY THE CONTRACT, AND SIGNS, SEALS AND ISSUES TO THE BUYER A FINAL COPY OF THE CONTRACT FOR ITS COMPLETION.

3. THE BUYER REVIEWS THE FINAL CONTRACT AND UPON ACCEPTANCE SIGNS THE FINAL COPY CONTRACT AND RETURNS IT TO THE SELLER. IF FURTHER REVISIONS ARE REQUIRED THEY ARE NOTED AND SENT BACK TO THE SELLER FOR FURTHER REVIEW. ANY FACSIMILE OR ELECTRONIC COPY SHALL BE CONSIDERED AS THE ORIGINAL

4. WITHIN SEVEN DAYS AFTER SIGNING THIS AGREEMENT, THE BUYER SHALL CAUSE ITS BANK TO ISSUE TO THE SELLER AN Non-OPERATIVE DOCUMENTARY LETTER OF CREDIT, FOR TOTAL AMOUNT OF SHIPMENT, PAYABLE 100% AT SIGHT AGAINST PRESENTATION OF ALL REQUIRED DOCUMENTS. AS ARTICLE 11

5. WITHIN SEVEN (7) BANKING DAYS AFTER RECEIPT OF THE NON-OPERATIVE LETTER OF CREDIT ACCEPTABLE TO THE SELLER AND THE SELLER'S BANK .THE SELLER ISSUES TWO (2%) PERFORMANCE BOND AND PROOF OF PRODUCT AND SEND TO THE BUYER'S BANK, TO TRIGGER THE NON - OPERATIVE LETTER OF CREDIT AND TO MAKE IT OPERATIVE.



# LOXISTICA INTEGRAL DO PALET S.L

6. DELIVERY AND SHIPMENT SHALL COMMENCE AFTER THE SELLER **LOXISTICA INTEGRAL DO PALET S.L.** BUYER **CONTINENTAL PETROLEUM CORPORATION SOCIEDAD ANONIMA CERRADA** FULLFILMENT OF PROCEDURE, STATED ABOVE, AS PER THE TERMS AND CONDITIONS OF THE CONTRACT.

**27. CONTRACT TERM :**

ONE (1) YEAR, INCLUDES FIRST SHIPMENT THIRTY TO FIFTY DAYS WHERE SHIPMENT IS BEING PREPARED THE INTERFERING PARTY WILL BE CHARGED WITH THE LOSS OF PROFITS IN THIS TRANSACTION BY THE INJURED PARTY WHO WILL BE ENTITLED TO FILE LEGAL PROCEEDINGS AGAINST THE INTERFERING PARTY AT THE INTERNATIONAL CHAMBER OF COMMERCE AT PARIS, FRANCE TO RECOVER THEIR LOSSES.

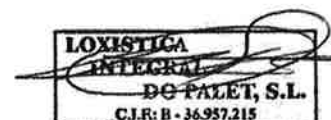
WE ALSO CONFIRM THAT SAID FUNDS ARE GOOD CLEAN, CLEARED UNENCUMBERED, LEGITIMATELY EARNED AND OF NON CRIMINAL ORIGIN

**\*\*All payments will be in good, clear, US Dollars of Non Criminal origin or Bank Guarantee Issued by Triple A International Prime Bank.**



**LOXISTICA INTEGRAL DO PALET S.L.**  
**SELLER**

**CONTINENTAL PETROLEUM CORP.**  
**BUYER**



# LOXISTICA INTEGRAL DO PALET S.L

## SCHEDULE OF DELIVERIES

TOTAL QUANTITY OF PURCHASE TO BE 150.000 METRIC TONS (+/-5%) ONE HUNDRED FIFTY THOUSAND METRIC TONS (+/-5%) IN MINIMUM SHIPMENTS OF TWELVE THOUSAND FIVE HUNDRED (12.500) METRIC TONS (+/-5%) OF UREA 46%, COST, INSURANCE AND FREIGHT (CIF) INCOTERMS 2000, AS PER S/P CONTRACT AND SHALL BE DELIVERED UNDER THE FOLLOWING TERMS AND CONDITIONS.

THE DELIVERY SHALL BEGIN THIRTY TO FORTY FIVE (30-50) DAYS AFTER RECEIPT AND CONFIRMATION OF A LETTER OF CREDIT ACCEPTABLE TO THE SELLER AND COMPLETED WITHIN THE STATED TIME. UNLOADING WILL BE MINIMUM TWELVE HUNDRED (1,200) MT WWD. SUBJECT TO DISCHARGE PORT OFFLOAD CAPABILITIES.

**UREA 46 % SCHEDULE OF DELIVERY:**

**12.500 METRIC TONS (+/-5%) TWELVE (12) SHIPMENTS.**

**PORTS OF DELIVERY:**

**ASWP / PERU**

\* START DATE WILL BE DETERMINED BY DATE OF RECEIPT AND CONFIRMATION OF AN ACCEPTABLE LETTER/S OF CREDIT BY SELLER.

## **ADDENDUM "B"**

## BANKING INFORMATION

**SELLERS FULL BANKING DETAILS WILL BE GIVEN WITH FINAL SALES AND PURCHASE CONTRACT. NO CONTACT WITH THE SELLER'S BANK MAY BE MADE WITHOUT THE EXPLICIT WRITTEN PERMISSION OF THE SELLER.**

**SELLER REQUIRES THAT BUYER NOTIFY SELLER PRIOR TO FORWARDING ANY FINANCIAL INSTRUMENT OR CORRESPONDENCE TO SELLER'S BANK**



**LOXISTICA INTEGRAL DO PALET S.L****BANKING SELLER COORDINATES**

<b>ACCOUNT NAME</b>	LOXISTICA INTEGRAL DO PALET S.L
<b>BANK NAME</b>	BANCO PASTOR
<b>ADDRESS BANK</b>	SUC. 0422
<b>CITY</b>	VIGO - PONTEVEDRA
<b>COUNTRY</b>	SPAIN
<b>SWIFT</b>	PSTRESMM
<b>ACCOUNT NUMBER</b>	ES81 0072 0422 9800 0010 3027
<b>TELEPHONE</b>	0034 986 21 31 97
<b>FAX</b>	0034 986 21 46 53
<b>BANK OFFICER</b>	CASIMIRO CONLES
<b>E.MAIL</b>	oficina0422@bancopastor.es

BUYER'S COMPLETE BANKING INFORMATION IS REQUIRED WITH THE RETURN OF THE SIGNED AND SEALED DRAFT CONTRACT. IF THE ISSUING BANK IS NOT A TOP 50 WESTERN BANK THE PAYMENT INSTRUMENT MUST BE CONFIRMED BY A TOP 50 WESTERN BANK AND THESE BANKING DETAILS MUST BE INCLUDED BELOW. IF THESE DETAILS ARE NOT PROVIDED, THIS CONTRACT WILL BECOME NULL AND VOID.

**BANKING BUYER COORDINATES**

<b>ACCOUNT NAME</b>	CONTINENTAL PETROLEUM CORPORATION SOCIEDAD ANONIMA CERRADA
<b>BANK NAME</b>	SCOTIABANK
<b>ADDRESS BANK</b>	Av. Larco 1119 Agencia Miraflores.
<b>CITY</b>	LIMA
<b>COUNTRY</b>	PERU
<b>SWIFT</b>	BSUDPEPL
<b>ACCOUNT NUMBER U\$D</b>	000-5220793
<b>ACCOUNT NUMBER \$</b>	000-3067257
<b>TELEPHONE</b>	511- 242 2746
<b>FAX</b>	+ 1 511 447-4125
<b>BANK OFFICER</b>	JULIA ASIN
<b>E.MAIL</b>	

ALL BANK CHARGES FROM THE BUYER'S BANK RELATED TO THE AGREEMENT IS FOR THE BUYER'S RESPONSIBILITY



# LOXISTICA INTEGRAL DO PALET S.L

SHIPMENT	DATE		QUANTITY		DESTINATION	
					PUERTO	PAIS
1	JUN	2008	12.500	TM	PISCO	PERU
2	JUL		12.500	TM	PAITA	
3	AGO		12.500	TM	MATARANI	
4	SEP		12.500	TM	PISCO	
5	OCT		12.500	TM	PAITA	
6	NOV		12.500	TM	MATARANI	
7	DIC	↓	12.500	TM	PISCO	
8	ENE	2009	12.500	TM	PAITA	
9	FEB		12.500	TM	MATARANI	
10	MAR		12.500	TM	PISCO	
11	ABR		12.500	TM	PAITA	
12	MAY	↓	12.500	TM	MATARANI	↓
TOTAL			150.000			

CARGO INFORMATION			
NET WEIGHT		CIF - U\$D 203,00	ASWP
GROSS WEIGHT	KG.	PACKING	50 KG BAGS
CUSTOM CLASIFICATION			
DESCRIPTION			
Urea Prilled 46%			
COMERCIAL TERMS.			
INCOTERMS 2000 - CIF		LOADING PORT	
TRANSPORTATION :		SHIP FLAG	or other neutral country

ATT.: THE ABOVE SCHEDULES CAN BE CHANGED UPON MUTUAL CONSENT OF THE BUYER AND SELLER.

ATT: COMPANY MEDIATE NAME IS DELIMASTER EXPORT LTDA. AVDA.LAS CONDES N° 7909 - SANTIAGO - CHILE - CEO MANAGER Leonardo Mujica Verdugo with e-mail: [lmujica@delimaster.cl](mailto:lmujica@delimaster.cl)

Any amendment and or annex to this contract shall be made in written form And signed by both Parties. If any amendment is not signed by both Parties, it shall be construed null and void and of no legal effect.

LOXISTICA  
INTEGRAL  
DO PALET, S.L.  
C.I.F. B - 36.957.215

LOXISTICA  
INTEGRAL  
DO PALET, S.L.  
C.I.F. B - 36.957.215



**LOXISTICA INTEGRAL DO PALET S.L****B 36 957 215****PROFORM - INVOICE**

<b>CONTRACT NUMBER : UR 150000APAVM14MAR2008</b>	<b>DATE</b>	<b>28 April 2008</b>
<b>FROM :</b>		
<b>LOXISTICA INTEGRAL DO PALET</b>	<b>INVOICE N°</b>	<b>008</b>
Pl y MARGAL, 96 – VIGO PONTEVEDRA - SPAIN		
TEL 0034-986 247 602 – FAX 0034 986 897 880 – email : galipack@telefonica.es		
<b>FOR:</b>		
<b>CONTINENTAL PETROLEUM CORPORATION SOCIEDAD ANONIMA CERRADA</b>		
AVENIDA FRAY ANGELICO NÚMERO 520. OFICINA NÚMERO 203 - LIMA – PERU		
511- 593-5095 email : fgambirazio@continentalpetroleumcorp.com		

QUANTITY	DESCRIPTION	CIF USD	TOTAL
12.500 MT	As in Contract Specification UR 150000APAVM14MAR2008	203,00	2.537.500,00
	ORIGEN : UKRANIA DESTINY : PORT ASWP/ PERU DATE OF THE DELIVERY : AS PER CONTRACT, 30 TO 50 DAYS ONES L/C IN OPERATIVE ATE SELLER'S BANK		
12.500 MT	<b>TOTAL PURCHASE ORDER VALUE FIRST SHIPMENT</b>		<b>2.537.500,00</b>

**TERMS AND CONDITIONS.**

TERMS OF SALE: TERMS OF PAYMENT IRREVOCABLE, CONFIRMED, TRANSFERABLE, AT THE SIGHT 100% PAYABLE  
DOCUMENTARY LETTER OF CREDIT TOP 25/50 WORLD BANK.

**BANK INFORMATION :**

BANK NAME	FIRST AMERICAN BANK	NEW YORK	
BANK OFFICER			
COUNTRY / CITY			

**BENEFICIARY:**

BANK NAME	BANCO PASTOR	SUC. 0422	SWIFT : PSTRESMM
BANK OFFICER	Mr. CASIMIRO CONLESS	0034-986 213197	oficina0422@bancopastor.es
COUNTRY / CITY	VIGO – PONTEVEDRA - SPAIN		

PERFORMANCE BOND: TWO (2%) P.B AFTER RECEIVES THE LETTER OF CREDIT FROM THE BUYER'S BANK (PER EACH SHIPMENT)  
THE L/C SHALL DE NON-OPERATIVE UNTIL THE SELLER'S BANK ISSUES A 2% (TWO PER PERCENT) PERFORMANCE BOND OF THE VALUE OF EACH L/C  
THE L/C SHALL BE AUTOMATICALLY ACTIVATED AFTER ISSUING BANK'S RECEIPT AND ACCEPTANCE OF P.B  
THE PB BE MADE CONDITIONAL ON COMPLIANCE WITH THE DISPATCH OF THE GOODS.  
VARIATION THE QUANTITY AND VALUE 5%

ATT: COMPANY MEDIANE NAME IS DELIMASTER EXPORT LTDA. AVDA.LAS CONDES N° 7909 – SANTIAGO – CHILE – CEO MANAGER Leonardo Mujica Verdugo with e-mail: lmujica@delimaster.cl

# LOXISTICA INTEGRAL DO PALET S.L



LOXISTICA DO PALET S.L

*Freddy Cárdenas*  
Continental Petroleum Corp. SAC  
AV. Fray Angelico 520 Of. 203  
San Borja  
Lima Peru

## Corporate Funding Partners, Ltd.

### Visual Representation of Transaction

This form must be filled and submitted to our office to initiate the Letter of Credit process

Name of Person: Freddy Gambirazio

Date: 5/9/2008

Describe the product that is to be traded

UREA

What is the purchase price of the product,  
pricing compare to market pricing?

203 m.t.

What is the name of the company that is  
selling the product? (And contact info):

Company name: **Loxistica Integral Do  
Palet SL**

Address: **Pl y Margal 96 Bajo, Vigo  
Pontevedra, Spain**  
Tel: **349862247602**

**No web site**

Where is the product going from?  
(Country of city)

Ukrania, Russia

What is the name of the company that is  
buying (the end buyer) the product? (And  
contact info)

Company name: **Continental Petroleum  
Corporation S.A.C.**

Address: **Fray Angelico 520 Of 203 ,San  
Borja- Peru**  
Tel: **511-5935095**

**No web site**

Where is the product going to?  
(Country and city)

Callao, Peru

What is going to happen to the product at its  
destination?

Re sell to the Agriculture

Notes:

Form: visual transaction summary 2007



Continental Petroleum Corp. SAC.  
AV. Fray Angelico 520 Of. 203

San Borja  
Lima Peru

1

**CORPORATE FUNDING PARTNERS**

global trade finance • letter of credit facilities

Date: May 9, 2008

Invoice #05090084

Client Name : Freddy Gambirazio  
 Company : Continental Petroleum Corporation S.A.C.  
 Address : Fray Angelico 520 Of. 203  
 L34 Lima, Peru  
 Telephone : 511-593-50-95  
 Fax : N/A  
 Email : lvargaspa2004@yahoo.com  
 Agent : Pablo Antoniazzi  
 Agent email : pantoniazzi@aol.com

Total of all Letters of Credit for this worksheet only USD 2,537,500.00

<u>Description</u>	<u>Detail</u>	<u>Amount</u>
Type: Irrevocable Transferable Letter of Credit to applicant supplier		USD 2,537,500
Validity: Up to 90 days		
<u>Requirements:</u>		
• pro-forma invoice from supplier		
• purchase order from client to supplier		
• additional statement of the underlying transaction from your company		
Letter of Credit Charges		USD 101,500.00
Standard LC Opening Fee		275.00
Document Negotiation Fee		400.00
Total Letter of Credit Charges		USD 102,175.00
<b>Total due prior to LC opening (100% of total)</b>		<b>USD 102,175.00</b>

For each instance of non-negotiation, there will be a charge of \$ 250.00 payable upon receipt of invoice. Upon negotiation there may be a holdback of up to 0.25 percent of the payment to the beneficiary from the LC issuing bank.

If additional fees are required they must be paid upon receipt of invoice. They may include any items that are shown in the letter of credit to be paid by the beneficiary and where the beneficiary refuses to pay.

All letters of credit are governed by the Uniform Customs and Practices for Documentary Credits 1993 ("UCP") Per UCP article no.18cii it states:

"Where a Credit stipulates that such charges are for the account of a party other than the instructing party, and charges cannot be collected, the instructing party remains ultimately liable for the payment thereof."

**Please Fax A Copy Of Your Wire Transfer When Paying This Invoice**

Please remit to: LC.COM, Ltd. 201 W 72<sup>nd</sup> Street, Suite 6M, New York, NY 10023

Phone +1.212.724.8333

Fax +1.212.656.1509

Wire transfer instructions: HSBC – New York, NY

aba#: 021001088 acct#:610859048 SWIFT:MRMDUS33

# **CORPORATE FUNDING PARTNERS** **L/C APPLICATION FORM**

Documentary L/C ☒Standby L/C ☐

1. Applicant Name Address: Phone	CONTINENTAL PETROLEUM CORPORATION S.A.C. 520 Fray Angelico Avenue-San Borja-Suite 203-B 011511-593-5095
2 Amount of L/C	\$2'537,500
3. Advising Bank Name Address SWIFT CODE	BANCO PASTOR SUCURSAL 0422-CIUDAD VIGO PONTEVEDRA PSTRESMM
4. Beneficiary Name Address Phone	LOXISTICA INTEGRAL DO PALET SL PI y MARGAL 96 Bajo,Vigo Pontevedra 0034-986247602
5. Expiration Date	July 2008
6. Latest Ship Date	
7. Shipment From	UKRANIA (RUSSIA)
8. Shipment To	CALLAO (PERU)
9. Merchandise Description	UREA 12,500 METRIC TONES
10. Freight	Prepaid / Collect (circle one)
11. Insurance	Covered By Shippers / Buyers (circle one)
12. Partial shipment	Allowed / Not Allowed (circle one)
13. Transshipment	Allowed / Not Allowed (circle one)
14. Terms	FOB / CIP / CFR / DDP (circle one)
15. Shipment by	SEA / AIR / LAND (circle one)
16. Documents Required	A) Signed Commercial Invoices in <u>3</u> copies. B) Packing List in <u>3</u> copies. C) Full Set On Board Clean Bill of Lading and or Original Airway Bill to the order of opening bank D) All invoices and /or visa and copies of shipping documents must be sent to notify/account party by courier and copy of courier receipt must be enclosed with negotiation documents. F) Marine and War Risks Policy in place ( where applicable )
17. Special Conditions	A) All banking charges outside USA are for the account of beneficiary. B) L/C Transferable <u>YES</u> / No (circle one) Other Conditions: please attach.
Notes to Applicant	THIS DOCUMENT IS A REQUEST FORM. THE DRAFT WHICH YOU MAY RECEIVE WILL INCLUDE WORDING ACCEPTABLE TO OUR BANKS - THIS WORDING MAY NOT MATCH THE ACTUAL LETTER OF CREDIT REQUEST. PLEASE READ THE DRAFT CAREFULLY PRIOR TO ASKING THE STAFF AT CORPORATE FUNDING PARTNERS OR THEIR AFFILIATE COMPANIES TO OPEN THE LETTER OF CREDIT.  FOR STANDBY LC's- PLEASE ATTACH EXPLANATION OF TRANSACTION WITH THIS FORM ACTUAL CONTRACTS OR PRO FORMA INVOICES ARE REQUIRED PRIOR TO THE OPENING ALL LC'S  THIS APPLICATION AND ADDITIONAL PAGES MUST BE STAMPED WITH YOUR COMPANY STAMP OR SEAL AND SIGNED BY A CORPORATE OFFICER FAX THIS COMPLETED FORM TO: 212.656.1509

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*Armando Humberto Ramirez*  
Continental Petroleum Corp. S.A.C.  
AV. Fray Angelico 520 Of. 203  
San Borja  
Lima Peru





Back

Edit

Delete

Escape



Request No: X-2680/ASHFORD

# Application for Import Letter of Credit

May 9, 2008

Please issue an irrevocable, transferable commercial letter of credit as set forth below and forward same to your branch office or correspondent bank for delivery to the beneficiary.

Expiry Date: ☒ July 28, 2008Latest shipping date: ☒ July 7, 2008Expiry Place: ☒ Issuing bank's countersAdvise credit by: ☒ Cable

Applicant's Name and Address:

Continental Petroleum Corporation S.A.C.

Fray Angelico 520 Of. 203

Lima Peru L34

Beneficiary's Name and Address: ☒

Logistica Integral Do Palet

Pl y Margal 96 Bajo

Vigo Pontevedra, Spain

Beneficiary's Bank and Address: ☒

Banco Pastor

Sucursal 0422

Vigo Pontevedra, Spain

Swift: PSTRESMM

## AMOUNT INFORMATION

Amount: ☒ USD 2,537,500Variance: ☒Maximum Credit Amt: ☒Percentage of Invoice: ☒ %Additional Amount Spec.: ☒

## AVAILABLE WITH

Credit available with: ☒ First American BankAvailable by: ☒ PaymentDrafts at: ☒ Sight  
days:

Additional tenor

information: ☒Drawee: ☒

First American Bank

Continental Petroleum Corp. SAC  
AV. Fray Angelico 520 Of. 203  
San Borja  
Lima Peru

Ok to Issue

Continental Petroleum Corp. SAC  
AV. Fray Angelico 520 Of. 203  
San Borja  
Lima PeruLOGISTICA  
INTEGRAL  
DO PALET, S.L.

Ok To Issue

## SHIPPING ARRANGEMENTS:

<https://www.firstamloc.com/FAB2-EB/ASHFORD-LIVE> TF.NSF/13692ae9fc8f730e88256... 5/9/2008